

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, SEPTEMBER 7, 2005**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of September 7, 2005, was called to order by Mayor Beckman at 6:00 p.m.

Present: Council Members – Hansen, Hitchcock (arrived at 6:03 p.m.), Johnson, Mounce, and Mayor Beckman

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Conference with Blair King, City Manager, and/or Jere Kersnar, Interim Deputy City Manager (Acting Labor Negotiators), regarding International Brotherhood of Electrical Workers and Mid-Management Employees pursuant to Government Code §54957.6.
- b) Actual litigation: Government Code §54956.9(a); one case; *People of the State of California; and the City of Lodi, California v. M & P Investments, et al.*; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM
- c) Actual litigation: Government Code §54956.9(a); one case; *Hartford Accident and Indemnity Company, et al. v. City of Lodi, et al.*, Superior Court, County of San Francisco, Case No. 323658
- d) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed
- e) Actual litigation: Government Code §54956.9(a); one case; *Fireman's Fund Insurance Company v. City of Lodi, et al.*, United States District Court, Eastern District of California Case No. CIV-S-98-1489 FCD JFM
- f) Actual litigation: Government Code §54956.9(a); one case; *City of Lodi v. Michael C. Donovan, an individual; Envision Law Group, LLP, et al.*, San Joaquin County Superior Court, Case No. CV025569

C-3 ADJOURN TO CLOSED SESSION

At 6:00 p.m., Mayor Beckman adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:56 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:00 p.m., Mayor Beckman reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions:

In regard to Items C-2 (a), (c), (d), (e), and (f), no reportable action was taken in closed session.

In regard to Item C-2 (b), Council approved entering into a joint cost sharing agreement for \$130,000 in the south central western plume, which will be spent to study the contamination in the area.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of September 7, 2005, was called to order by Mayor Beckman at 7:00 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Reverend Kevin Suess, Lodi Community Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Beckman.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Mayor Beckman presented a proclamation to Winona Ellwein, representing Worknet, proclaiming the week of September 24 – 30, as “Employ the Older Worker Week” in the City of Lodi.

D-2 (b) Mayor Beckman presented a proclamation to Stephanie Allen, Library Services Coordinator, proclaiming Thursday, September 8, as “International Literacy Day” in the City of Lodi.

D-2 (c) Mayor Beckman presented a proclamation to Julie Hayden, President of the Lodi-Woodbridge Rose Society, proclaiming the week of September 18 – 24, as “Lodi Week of the Rose” in the City of Lodi.

D-2 (d) Mayor Beckman presented a proclamation to Kathy Grant, representing the Public Works and Parks and Recreation Departments, proclaiming September 17, as “California Coastal Cleanup Day” in the City of Lodi.

D-3 (a) Following introductory comments by Tom Alexander, representing the City of Lodi and Boosters of Boys and Girls Sports, Mayor Beckman presented a Certificate of Recognition to Lodi Extreme, the 16 and under girls’ softball team, for placing 6th in the Babe Ruth World Series. Special mention was given to Jessica Smith, who won the home run derby during opening ceremonies.

D-3 (b) Police Chief Jerry Adams and Crime Prevention Officer Andrea Patterson presented awards to the following top three blocks that participated in this year’s National Night Out theme – Celebrate McGruff’s 25 Years of “Taking a Bite Out of Crime”:

1st Place 400 E. Pine – Block Captains Erica Naves and Clara Lagorio

2nd Place 2127 Tracy Place – Block Captain Deanna Boyles

3rd Place 1041 Awani – Block Captains Kay Tupper and Joan Morrison

Certificate of Achievement for Crime Prevention was also awarded to Brooke Leoni (11 years old) for being the youngest Block Captain.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Johnson, Beckman second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

E-1 Claims were approved in the amount of \$4,303,716.25.

E-2 The minutes of July 6, 2005 (Regular Meeting), July 20, 2005 (Regular Meeting), and August 23, 2005 (Shirtsleeve Session) were approved as written.

E-3 Accepted the Quarterly Investment Account report as required by law SB 564.

- E-4 Received report of the sale of scrap metal in the amount of \$4,036.42.
- E-5 “Adopt resolution approving plans and specifications; authorizing advertisement for bids for Elm Street Paving Stone Replacement Project, School Street to Sacramento Street; authorizing the City Manager to award or reject the contract up to \$65,000; and appropriating \$75,000” was ***removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.***
- E-6 Adopted Resolution No. 2005-173 approving the specifications, authorizing advertisement for bids for Lane Line Striping for Various City Streets 2005, and authorizing the City Manager to award or reject the contract up to \$35,000.
- E-7 Approved the specifications and advertisement for bids for 22,000 feet of #750kcmil 600-volt insulated aluminum cable for the Electric Utility Department.
- E-8 Adopted Resolution No. 2005-174 awarding the purchase of 20 wood utility poles to North Pacific Lumber, of Portland, OR, in the amount of \$9,083.33.
- E-9 Adopted Resolution No. 2005-175 authorizing the renewal of IBM hardware maintenance contract for the City’s IBM AS400 computer and peripheral devices from Logical Design, Inc., of Rancho Cordova, CA, in the amount of \$14,615 and granting the City Manager authority to approve subsequent annual renewals.
- E-10 Adopted Resolution No. 2005-176 awarding the contract for Lower Sacramento Road Median Landscaping and Irrigation Project, Kettleman Lane to Harney Lane, to Odyssey Landscape, of Stockton, in the amount of \$186,100.40.
- E-11 Adopted Resolution No. 2005-177 awarding the contract for Traffic Signal Preventive Maintenance and Repair Program 2005 to Republic Electric, of Novato, in the amount of \$9,568.
- E-12 Adopted Resolution No. 2005-178 accepting the improvements under the contract for the Furnish and Install Bus Wash System Project and appropriating funds in the amount of \$25,000.
- E-13 Adopted Resolution No. 2005-179 authorizing the City Manager to sign the annual service/license agreement with Data 911, of Alameda, California, and authorizing payment using funds in the amount of \$65,547.51 previously approved in the 2005-06 police budget.
- E-14 Adopted Resolution No. 2005-180 authorizing the City Manager to execute a professional engineering services contract with Mark Thomas & Company, Inc., appropriating \$60,000 for conceptual design work for State Route 12 and 99 Interchange Reconstruction Project, and authorizing the City Manager to execute San Joaquin Council of Governments Cooperative Agreement for the project funding.
- E-15 Adopted Resolution No. 2005-181 authorizing the City Manager to execute professional engineering services contracts with RMC Water and Environment and West Yost Associates for water supply services and appropriating \$60,000.
- E-16 Approved Phase 3 improvements design task order for West Yost & Associates for White Slough Facility in the amount of \$1,600,000.
- E-17 Adopted Resolution No. 2005-182 approving technical services task order with Treadwell & Rollo, Inc. for Central Plume Soil Vapor Extraction, Phase 1, and appropriating funds in the amount of \$380,000.
- E-18 Received Impact Mitigation Fee Program Annual Report for Fiscal Year 2004-05.

- E-19 Adopted Resolution No. 2005-183 authorizing the City Manager to allocate \$24,986 in Public Benefit Program funds to extend for one year the Lodi LivingWise Program and authorizing the City Manager to execute a contract with Resource Action Programs to assist in coordinating this educational project.
- E-20 "Ratification of settlement agreement with former Electric Utility Director Alan Vallow and appropriate funds therefor" was **removed from the Consent Calendar and discussed following approval of the Consent Calendar.**
- E-21 "Authorize professional services agreement with Northern California Power Agency for Interim Electric Utility Director services (\$40,000)" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-22 "Adopt resolution ratifying the employment agreement entered into between City Manager Blair King and Community Development Director Randall Hatch" was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
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ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- E-5 "Adopt resolution approving plans and specifications; authorizing advertisement for bids for Elm Street Paving Stone Replacement Project, School Street to Sacramento Street; authorizing the City Manager to award or reject the contract up to \$65,000; and appropriating \$75,000"

In reply to Council Member Mounce, City Engineer Wally Sandelin explained that rapid deterioration of the gaps between the bricks on a portion of Elm Street has occurred and the bricks are separating. It is believed to be caused by poor sub-grade compaction and subsequent erosion from rain. Funds are available for the project through Proposition 42. Staff will be coming back to Council for authorization of a maintenance contract.

In response to Council Member Mounce's inquiry regarding the possibility of closing this section of Elm Street, City Manager King stated that the street was designed to be closed during special events, or permanently, depending upon the nature of retail businesses fronting it. Currently, there are no tenants who would benefit by having the street closed.

In answer to Council Member Johnson, Public Works Director Prima reported that warranties on street projects are in effect for one year. Staff did not observe this problem in the first year after construction. He recalled that the project had been constructed in a hurry, due to the impending opening of the theater. In addition, he surmised that the paving stones were not locked in as well as they normally would because the street is designed with a curve and drainage in the center. There is a heightened compaction specification on the proposed project, and it will be tested to ensure it is done properly.

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously adopted Resolution No. 2005-184 approving the plans and specifications; authorizing advertisement for bids for Elm Street Paving Stone Replacement Project, School Street to Sacramento Street; authorizing the City Manager to award or reject the contract up to \$65,000; and appropriating \$75,000 of Proposition 42 Transportation Improvement Act Funds.

- E-20 "Ratification of settlement agreement with former Electric Utility Director Alan Vallow and appropriate funds therefor"

Council Member Mounce objected to paying six months severance pay, especially at a difficult financial time for the City and when citizens are being asked to pay higher rates. It was her understanding that "at will" employment meant that there were no severance benefits.

City Attorney Schwabauer commented that some department heads have "at will" contracts and others have no contract at all. Those with contracts do have six month severance packages. He believed that this was done to recognize that "at will" employees are, to some degree, subject to political whim and the severance package provides insulation for those who can be terminated without cause or notice. He explained that with any termination (and especially with an executive position) the risk of litigation exists and is costly. Mr. Schwabauer stated that he and the City Manager believe that avoiding the exposure to litigation through a severance package, which includes a general release of all potential claims, would be advantageous to the City.

In answer to Council Member Mounce, City Manager King reported that former Electric Utility Director Vallow did not have a contract. He stated that there is no pattern or consistency regarding who does and who does not have a contract with the City.

Council Member Mounce asked if the severance package could be reduced to half of what is being proposed.

Council Member Hansen and Mayor Beckman expressed support for staff's recommendation, as it would avoid possible litigation.

Mayor Pro Tempore Hitchcock asked what the rationale was to continue to pay health benefits for six months, to which Mr. King stated that he was being consistent with the severance package given to the former Human Resources Director.

Council Member Johnson stated that he was opposed to the proposal and hoped that the terms could be renegotiated.

Mr. King suggested that the matter be tabled and rescheduled to allow for closed session discussion at the next regularly scheduled City Council meeting.

MOTION / VOTE:

The City Council, on motion of Mayor Beckman, Johnson second, unanimously continued the matter to the Regular City Council meeting of September 21, 2005.

- E-21 "Authorize professional services agreement with Northern California Power Agency for Interim Electric Utility Director services (\$40,000)"

Council Member Johnson asked whether the Interim Electric Utility Director would be a candidate for the position, to which City Manager King replied that he did not know.

In answer to Mayor Pro Tempore Hitchcock, Mr. King reported that the City would be providing the Interim Electric Utility Director with a vehicle for transportation to and from his residence in Granite Bay and for other business purposes.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Beckman second, unanimously adopted Resolution No. 2005-185 authorizing professional services agreement with Northern California Power Agency for its employee, David L. Dockham, to provide Interim Electric Utility Director services to the City of Lodi in an estimated amount of \$40,000.

- E-22 "Adopt resolution ratifying the employment agreement entered into between City Manager Blair King and Community Development Director Randall Hatch"

Council Member Mounce stated that she was opposed to six month severance pay in any contract.

City Manager King stated that the proposed contract is a term agreement that expires in two years. He explained that if the intention were not to renew the contract, the employee would be notified six months prior to the renewal date and no severance would be provided. Mr. King stated that he plans to have similar contracts for future employees.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Beckman second, adopted Resolution No. 2005-186 ratifying the employment agreement entered into between City Manager Blair King and Community Development Director Randall Hatch. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Mayor Beckman

Noes: Council Members – Mounce

Absent: Council Members – None

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Randy Rosa stated that the faith community in Lodi would like to help victims of Hurricane Katrina that damaged Louisiana and other gulf coast areas. A meeting was held yesterday, at which 25 people expressed an interest in hosting a displaced family for a three- or four-month period. He asked that the City contact the Federal Emergency Management Agency (FEMA) to coordinate this and make transportation arrangements. Mr. Rosa stated that the faith community would handle health care, food, clothing, housing, and education.
- Charity King, student of Jim Elliott High School, spoke in support of Mr. Rosa's proposal.

City Manager King stated that he would assign Interim Deputy City Manager Jere Kersnar to follow up with Mr. Rosa's request.

Mayor Pro Tempore Hitchcock mentioned that she gave Mr. Kersnar the name of Annette Mitchell who has offered to provide rooms to victims of the hurricane at the skilled nursing facility, which she is in the process of refurbishing.

- Dorothy Hammeken asked that the air conditioner at the Hutchins Street Square Senior Center be repaired.
- Barbara Flockhart made the following comments:
 - 1) She pointed out that there is vacant retail space on the ground floor of the downtown parking garage and suggested that the square footage rate be reduced as an incentive to rent it;
 - 2) Developer fees should be increased for the proposed 500-acre annexation with 2,300 homes planned;
 - 3) She asked whether there is adequate room for fire trucks to maneuver in new developments with very narrow streets lined with three- and four-bedroom homes;
 - 4) Pay increases, such as those given to department heads by the former City Manager, should not be done again during difficult financial times;
 - 5) The possibility of the Grape Bowl being demolished was upsetting to her. She suggested having handicapped seating at the base of the Grape Bowl;
 - 6) She felt that the City's annual financial contribution to the Downtown Lodi Business Partnership and Arts Commission was too high; and

- 7) In reference to eminent domain, she had heard that a recent ruling made all private property vulnerable to being taken and transferred to another private owner so long as it might be upgraded.

- Jack Flockhart thanked staff for repairing handicap access areas on Lodi Avenue sidewalks and for placing a yield sign at the intersection of Lodi and Mills Avenues.
- Pat Patrick, President of the Lodi Chamber of Commerce, stated that he was speaking on behalf of local auto dealers. In August, Folsom Dodge came to Lodi and sold automobiles from the K-Mart store parking lot. This is permitted under Lodi's current zoning ordinance. He asked Council to consider new policy direction to staff that would prohibit these sales from occurring.

City Manager King replied that he would look into the matter and confirmed that staff does support stationary, permanent, brick and mortar businesses in Lodi and will recommend policies to reinforce it.

- Jack Dunn apologized for the tone of a recent letter to the editor of the local newspaper that he had written. Mr. Dunn explained that he was upset about the amount of money that goes into political campaigns at all levels of government. He suggested that Council Members take the lead and set an example by contributing some of these funds to charitable organizations.

Council Member Hansen noted that the Fair Political Practices Commission allows surplus campaign funds to be donated to charitable organizations, which he did at the close of his campaign.

RECESS

At 8:57 p.m., Mayor Beckman called for a recess, and the City Council meeting reconvened at 9:08 p.m.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Mounce requested that Lodi's emergency preparedness plan be reviewed at a future Shirtsleeve Session. She asked for a status report on the new program of Police Partners assisting Code Enforcement.

City Manager King replied that the topic of Code Enforcement would be discussed at the September 13 Shirtsleeve Session.

- Council Member Johnson stated that he received a request from a representative of a local card room owner to update the Lodi Municipal Code section related to card room establishments, as the current Code section is outdated.
- Council Member Hansen commented on the following:
 - 1) He agreed with Ms. Mounce that a review of Lodi's emergency plan would be a good idea. He also encouraged citizens to assess their own preparedness for a natural disaster, such as a flood or earthquake, by ensuring that an adequate supply of water, food, etc. is kept on hand.
 - 2) He reported that a meeting with the S.H. Cowell Foundation would be held tomorrow at the Boys and Girls Club.
 - 3) He asked why the Salvation Army has not yet begun offering services to homeless women and children, as it said it would when the new facility opened.
 - 4) A unanimous decision was made by the board of the Northern California Power Agency (NCPA) to authorize development of Sierra Nevada Electric Power Authority (SNEPA). SNEPA is a new joint power authority and would serve as a financing conduit. It will be involved in financing new facilities, entering into operating agreements, and purchasing power agreements. NCPA members would not be responsible for debts or liability unless they chose to participate in the purchasing of future power generation and wanted to share the cost.

- 5) He noted that the Street Fair would be held in October and asked the Public Works Director if Church Street was in good condition for the expected crowds of people.

Public Works Director Prima reported that Church Street had been repaired and repaving was planned for 2006-07.

- Mayor Pro Tempore Hitchcock stated that NCPA anticipates a shortage of power occurring by 2009. She felt it should be a priority for Lodi to consider its long-term needs and involvement in an expansion of its power generation.
- Mayor Beckman announced that a meeting of the 2x2x2 Greenbelt Committee has been scheduled for October 17.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King introduced Interim Electric Utility Director David Dockham. He reviewed Mr. Dockham's background and noted that he would be assisting the City in developing a risk management plan for the Utility and preparing for a rating agency presentation.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Beckman called for the public hearing to consider unmet transit needs in Lodi.

Public Works Director Prima explained that the public hearing was required in accordance with the Transportation Development Act, which the transit system utilizes for operations and capital.

Tiffani Fink, Transportation Manager, introduced Danielle Kochman representing the San Joaquin Council of Governments.

Ms. Kochman welcomed comments from the public regarding Lodi's unmet transit needs.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION / VOTE:

There was no Council action necessary on this item.

- I-2 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Beckman called for the public hearing to consider adopting resolutions accepting Short Range Transit Plan and approving service enhancements and reductions.

Tiffani Fink, Transportation Manager, explained that the Short Range Transit Plan is used to assist in the Federal Transportation Improvement Program. She reviewed proposed enhancements and reductions as outlined in the staff report (filed) and highlighted the following:

Reduction #1 (effective October 31) – Fixed Route: Evening Service Hours on Grapeline

- Eliminate the Grapeline's last run beginning at 7:00 p.m. and ending at 7:39 p.m., due to low ridership.
- In hours where only Dial-A-Ride operates, it is recommended to lower the general public fare to \$3 and allow passengers who purchase a monthly pass to travel at the senior/disabled rate of \$1.50 per ride during this time.

Approximately 975 service hours would be saved annually at an estimated cost savings of \$48,750.

Reduction #2 (effective October 31) – Fixed Route: Weekend Service Hours on Grapeline

- Eliminate the last three runs on Saturday and last run on Sunday, which would make 2:30 p.m. the final run with service on Fixed Route ending at 3:09 p.m. both days.
- In hours where only Dial-A-Ride operates, it is recommended to lower the general public fare to \$3 and allow passengers who purchase a monthly pass to travel at the senior/disabled rate of \$1.50 per ride during this time.

Approximately 780 service hours would be saved annually at an estimated cost savings of \$39,000.

Reduction #3 (effective October 31) – Fixed Route

- Combine Route 1 and Route 5 into Route A on Saturdays and Sundays to capture transfers between the two lines and to reduce the number of fixed routes operating due to the limited number of weekend riders on the two routes.

Approximately 923 service hours would be saved annually at an estimated cost savings of \$44,250.

Reduction #4 – Fixed Route and Dial-A-Ride Holiday Reductions

- Offer reduced Dial-A-Ride service only on Easter and shortened Fixed Route and Dial-A-Ride service on specific other dates due to lowered ridership demand.

Approximately 100 service hours would be saved annually at an estimated cost savings of \$5,000.

Enhancement #1 – Fixed Route: Holiday Light Tours

- Offer Holiday Light Tours for two weeks preceding Christmas at a cost of \$2.00 per person and \$8.00 for a family of five.

The Holiday Light Tours would add approximately 100 hours of service.

Enhancement #2 – Fixed Route Winery Route

- Study the addition of a Weekend Fixed Route G with service to the local wineries in the greater Lodi area. This service could operate with two vehicles on 60-minute headways and initially would operate two weekends each month.

The Winery Route would require 528 hours of service per year. Staff would work with local wineries to encourage sponsorship of the routes.

Council Member Hansen was opposed to the City subsidizing the Winery Route, noting that the benefactors would be the wineries of the region.

Enhancement #3 (“blue sheet” filed)

- That the City Manager be authorized to approve promotional events to encourage ridership of the City’s transit system.

Hearing Opened to the Public

- Jeanette Moore expressed concern about the reduction in weekend service, as that is when she does the majority of her shopping and is dependent upon public transit.
- Anna Jarlmer stated that she uses the Grapeline bus service. She reported that there was no county service any longer and would like to have public transit available to areas outside the City and specifically to Kaiser in Stockton.

Ms. Fink replied that San Joaquin Regional Transit District operates routes 23, 24, and Hopper routes; however, she acknowledged there have been reductions on those routes.

Public Portion of Hearing Closed

MOTION / VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously adopted the following resolutions:

- Resolution No. 2005-187 accepting the Short Range Transit Plan; and
- Resolution No. 2005-188 approving the transit service enhancements and reductions.

J. COMMUNICATIONS

J-1 Claims filed against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Beckman, Hansen second, unanimously directed the City Clerk to post for the following vacancy:

Lodi Animal Shelter Task Force

Gretchen Nelson Unspecified term limit

- b) The City Council, on motion of Council Member Mounce, Beckman second, unanimously made the following appointments:

Greater Lodi Area Youth Commission

Adults

Richard Dean, LUSD Rep. Term to expire May 31, 2008

Jeff Fleak Term to expire May 31, 2008

J-3 Miscellaneous – None

K. REGULAR CALENDAR

K-1 “Adopt two resolutions authorizing the City Manager to allocate Public Benefit Program rebates to the following commercial/industrial customers for demand-side management projects: Design Select (\$6,621.19) and Lustre-Cal (\$25,000)”

Rob Lechner, Electric Utility Manager of Customer Service and Programs, reported that two commercial/industrial customers have installed a series of energy efficiency or energy conservation measures at their respective businesses as outlined in the staff report (filed). Staff recommends approval of these two demand-side management rebates as qualifying components of the Public Benefits Program.

MOTION/ VOTE:

The City Council, on motion of Council Member Mounce, Beckman second, unanimously adopted the following resolutions:

- Resolution No. 2005-189 authorizing the City Manager to allocate Public Benefit Program rebate in the amount of \$6,621.19 to commercial/industrial customer, Design Select, for demand-side management project; and
- Resolution No. 2005-190 authorizing the City Manager to allocate Public Benefit Program rebate in the amount of \$25,000 to commercial/industrial customer, Lustre-Cal, for demand-side management project.

K-2 “Adopt resolution authorizing the City Manager to allocate a \$21,807 Public Benefits Program grant to the LOEL Foundation/Senior Center for the purchase and installation of a 3kW photovoltaic system”

Rob Lechner, Electric Utility Manager of Customer Service and Programs, reported that the LOEL Foundation is seeking a grant in the amount of \$21,807 for a proposed 3kW photovoltaic system. Electric Utility staff has reviewed the scope of work for the solar project and is supportive of the grant request.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Beckman second, unanimously adopted Resolution No. 2005-191 authorizing the City Manager to allocate a \$21,807 Public Benefits Program grant to the LOEL Foundation/Senior Center for the purchase and installation of a 3kW photovoltaic system

- K-3 “Adopt resolution authorizing the City Manager to allocate \$90,000 from three funds to extend for one year the Lodi C.A.R.E. Package Program; and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating this program”

Rob Lechner, Electric Utility Manager of Customer Service and Programs, reported that the Customer Assistance and Relief on Energy (CARE) Program began in 2004. The Program was designed to provide financial assistance to Lodi families who are below the current federal income guidelines. A new set of income guidelines have been developed for year two of this program and each income level has increased by \$1,000. During the first year of the program, 140 families were provided assistance totaling \$16,940.17 in relief payments. The Salvation Army administers the program and interviews prospective clients, for which the City pays them \$1,300. Staff recommends that the program be extended for one year.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously adopted Resolution No. 2005-192 authorizing the City Manager to allocate \$90,000 from three funds to extend for one year the Lodi C.A.R.E. Package Program and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating this program.

- K-4 “Adopt resolution approving Negative Declaration and introduce ordinance amending Lodi Municipal Code Title 13 – Public Services – Chapter 13.12 ‘Sewer Service,’ by repealing and reenacting Section 13.12.020 (20) relating to definition of industrial system; and further repealing and reenacting Section 13.12.150 relating to ‘Connections Outside City’”

City Manager King recalled that on June 15 Council approved a Memorandum of Understanding (MOU) between the City and Van Ruiten Winery. The MOU provided access to the City’s industrial sewer system for discharge by Van Ruiten Winery in exchange for establishing a downtown retail presence. Staff explained at the time that, to effectuate the MOU, an amendment to the Lodi Municipal Code would be required. The amendment to the Municipal Code would allow for access to the City’s industrial wastewater connection. No domestic connection would be allowed; it would strictly be for discharge of winery waste. The Van Ruiten Winery would bear 100% of the cost including any capacity that it consumes based upon the industrial sewage system. In exchange for this access, the Van Ruiten Winery would be required to open a downtown wine tasting room. The Negative Declaration is premised upon several policies of the General Plan, which support the viability of agriculture within the Lodi area.

PUBLIC COMMENTS:

- Nick Sikeotis, representing Jesse’s Grove Winery, spoke in support of the proposal. He explained that wineries are very capital intensive and dealing with State agencies regarding wastewater issues is very difficult. He pointed out that the better the wineries are, the better the chances of preserving agricultural land around the City. Mr. Sikeotis believed this proposal would benefit any winery located in the county and stated that he would be interested in trucking wastewater to Lodi’s facility if the option was offered to him.

- Mark Fedorchak, representing Van Ruiten Winery, believed that Lodi would soon become a brand in the wine industry. The Lodi economy, merchants, and agri-businesses would all benefit from this.

Mayor Pro Tempore Hitchcock expressed concern about capacity issues and the cost of State mandated upgrades to the City's wastewater facility. She preferred to have more safeguards in place, the ability to reject service, flexible rates based upon current State mandates, and that each request be approved on a case-by-case basis. In addition, she felt that ordinance section 2, ii, should be changed from six years to 24 months as the maximum amount of time given to establish a tasting room.

Public Works Director Prima explained that the Van Ruiten Winery wastewater during the summer would be blended with other industrial waste from the cannery and treated domestic effluent from the City and applied to the land. During the winter it would be put in the storage ponds and discharged to the Delta. He acknowledged that there is a potential capacity issue with the ability to aerate the ponds if more wineries discharged to Lodi's facility. The capacity fee for the Van Ruiten Winery is \$15,000 and its annual charge is \$4,000 a year based on volumes in the permit. There would be an additional charge if the winery expanded.

In reply to Council Member Mounce, City Attorney Schwabauer confirmed that the Negative Declaration was consistent with the City's General Plan Land Use Element as was described in the staff report, resolution, and ordinance.

In answer to Council inquiries, Mr. King stated that it was not required that this matter first be considered by the Planning Commission. He acknowledged that the City would consider requests from wineries to truck in wastewater, in exchange for downtown retail presence. If this were to occur, the matter would be brought to Council for informational purposes. Currently there is no annual downtown development and promotional in-lieu fee; however, Mr. King envisioned it would be slightly higher than the cost of operating a tasting room.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Beckman second, took the following actions:

- Adopted Resolution No. 2005-193 approving a Negative Declaration for a Lodi Municipal Code amendment to Section 13.12.150, "Sewer Connections Outside Qty," to allow wineries located outside the City limits to connect and discharge industrial grade wastewater into the Qty's industrial sewerage system and for an industrial system discharge permit for the Van Ruiten family winery located outside the City limits to connect and discharge industrial grade wastewater into the City's industrial sewerage system and Lodi Municipal Code amendment to Section 13.12.020 (20) relating to definition of industrial system; and
- Introduced Ordinance No. 1764 amending Lodi Municipal Code Title 13 – Public Services – Chapter 13.12, "Sewer Service," by repealing and reenacting Section 13.12.020 (20) relating to definition of industrial system; and further repealing and reenacting Section 13.12.150 relating to "Connections Outside City."

The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Mounce, and Mayor Beckman

Noes: Council Members – Hitchcock

Absent: Council Members – None

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Mounce, Beckman second, unanimously voted to hear only Item L-1 following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

K-5 "Adopt resolution approving proposed Sidewalk Maintenance Policy and provide direction to staff as needed" was ***pulled from the agenda pursuant to the above vote.***

K-6 "Adopt resolution approving proposed Sidewalk Installation Policy and provide direction to staff as needed" was ***pulled from the agenda pursuant to the above vote.***

L. ORDINANCES

L-1 Following reading of the title of Ordinance No. 1763 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 2 – Administration and Personnel – Chapter 2.12, 'City Manager,' by Repealing and Reenacting Section 2.12.060(T) Relating to Contract Authority of the City Manager; and Further Amending Lodi Municipal Code, Title 3 – Revenue and Finance – by Repealing and Reenacting Chapter 3.20 in its Entirety Relating to the Purchasing System," having been introduced at a regular meeting of the Lodi City Council held August 17, 2005, the City Council, on motion of Mayor Beckman, Johnson second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Mayor Beckman

Noes: Council Members – Mounce

Absent: Council Members – None

Abstain: Council Members – None

M. ADJOURN TO SPECIAL JOINT MEETING OF THE LODI CITY COUNCIL AND REDEVELOPMENT AGENCY

The subject meeting was canceled and postponed to the Regular City Council meeting of October 5, 2005, due to the above vote.

N. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:15 p.m.

ATTEST:

Susan J. Blackston
City Clerk